

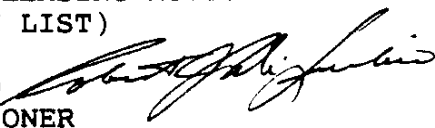


General Services Administration
Public Buildings Service
Washington, DC 20405

PQRP-92-01

MAR - 6 1992

MEMORANDUM FOR ALL REAL PROPERTY LEASING ACTIVITIES
(PQRP DISTRIBUTION LIST)

FROM: ROBERT J. DILUCHIO 
ASSISTANT COMMISSIONER
FOR REAL PROPERTY DEVELOPMENT - PQ

SUBJECT: Redefined Requirements for Reporting Rental
Payments to the Internal Revenue Service

1. Purpose. To update the reporting requirements of the Public Buildings Service Information System (PBS/IS) for the Taxpayer Identification Number (TIN). For convenience, we have incorporated Acquisition Letter PQP-89-01, "Reporting Rental Payments to the Internal Revenue Service (IRS)" into this acquisition letter.

2. Background.

a. On January 23, 1989, certain PBS/IS data elements were redefined by Acquisition Letter PQP-89-01. These data elements were the IRS indicator (L3193) and the lessor's Taxpayer Identification Number (TIN) (L3194), found on page 1 of GSA Form 3266 (green sheet), which is used for data input. The green sheet transmits this information to the Lease Digest, GSA Form 620 (R620). These changes were implemented in order to keep our codes compatible with the old National Electronic Accounting and Reporting (NEAR) system.

b. In most cases, the lessor and the payee are the same. However, there are lease contracts where a separate payee is appointed, and the Lease Digest (R620) shows the TIN for the lessor. IRS regulations require that we collect the payee's number, in addition to the lessor's number.

c. The Office of Finance received a notice from the IRS which explained the problem and sought resolution by way of revised procedures. The Office of Finance will correct all existing leases; this acquisition letter pertains to new actions.

d. It has also come to our attention that IRS regulations require that we collect a TIN for the "Common Parent" (defined in the solicitation provision) if the lessor is owned or controlled by a corporate entity.



3. Effective Date/Expiration Date. These procedures are effective immediately and will expire in 12 months, unless extended or incorporated into the leasing handbook at an earlier date.

4. Cancellation. Acquisition Letter POP-89-01, dated January 23, 1989, entitled "Reporting Rental Payments to the Internal Revenue Service (IRS)," is cancelled.

5. Coverage. All real property leasing activities.

6. Instructions/Procedures.

a. The codes for the PBS/IS data element, IRS indicator (L3193), remain as follows:

(1) "C" indicates a type of business structure with a TIN, such as a partnership, that is NOT a corporation.

(2) "Y" indicates a business with only a social security number (SSN), such as an individual.

(3) "N" indicates a corporation, or a state or local government entity.

b. An IRS Form 1099-Misc is generated for the IRS by the Office of Finance at the end of the year for businesses with the "C" and "Y" IRS indicators on the lease file. (Please remember that "C" does not signify a corporation.) If the indicator is "N," an IRS Form 1099 is not generated.

c. When the lessor is the payee, the lessor's TIN should be entered (L3194) in order for the R620 to be generated. However, if the payee and lessor are different and "C" is the IRS indicator, the payee's TIN is required. The payee's TIN should be entered manually into the "REMARKS" section of the R620.

d. If the lessor has a common parent, the common parent's TIN also should be entered manually into the "REMARKS" section of the R620.

e. For nonprofit organizations, follow the same guidelines as for any other type of business. For unincorporated, nonprofit businesses that have a TIN, enter "C" and the TIN. If the unincorporated, nonprofit business does not have a TIN, "Y" and the SSN of the executive officer should be entered. For nonprofit corporations, enter "N" as for other corporations.

f. For all leases, the TIN or SSN shall be disclosed by offerors to the Government in the "Taxpayer Identification"

provision (copy attached) on the appropriate Representations and Certifications form. That provision has blocks which offerors must complete to indicate the offeror's TIN, the offeror's corporate status, and the TIN for the offeror's common parent. The provision also indicates that the successful offeror must provide a TIN for the payee, if the payee is different from the offeror.

g. The Representations and Certifications forms, GSA Forms 3518 and 3518A, have been revised to incorporate the revised "Taxpayer Identification" provision and are being transmitted by a separate acquisition letter.

h. The U.S. Government Lease for Real Property (Short Form), used for expedited leases, currently requires the TIN or SSN in Block C. That form is being revised to eliminate the TIN and avoid duplicating data which will be submitted on GSA Form 3518A.

ATTACHMENT



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52.204-3 TAXPAYER IDENTIFICATION (SEP 1989) (VARIATION)

(a) The Offeror is required to submit taxpayer identification information in order to comply with reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M and implementing regulations issued by the Internal Revenue Service (IRS). Failure or refusal by the Offeror to furnish the information may result in a 20 percent reduction of payments otherwise due under the contract. Taxpayer information on the payee, if different from the offeror, is also required; however, it may be provided at the time of award.

(b) Offeror's Taxpayer Identification Number (TIN).

☐ TIN: _____ ☐ TIN has been applied for. ☐ TIN is not required.

(c) Corporate Status.

☐ Corporation; ☐ Not a corporate entity; ☐ Sole proprietorship ☐ Partnership

(d) Common Parent.

"Common parent," as used in this solicitation provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the Offeror is a member.

☐ Offeror is not owned or controlled by a common parent.
☐ Name and TIN of common parent: Name _____
TIN _____

(e) Payee's Taxpayer Identification Number.

☐ TIN: _____ ☐ TIN has been applied for. ☐ TIN is not required.